What is claimed is:

1. The method of issuing and managing investment instruments which comprises, in combination, the steps of:

establishing an investment fund,

creating a security which represents a claim against and is secured by said investment fund, said security entitling its holder to receive, at one or more future maturity dates specified by said security, either a lump sum payment amount or, at the option of said holder, to receive a sequence of annuity payments, the amount and payment date of each of said annuity payments being specified by said security,

transferring said security to a purchaser in exchange for a purchase price amount,

depositing at least a substantial portion of said purchase price amount into said fund,

investing the assets of said fund so that the net asset value of said fund at said maturity date should be adequate to pay to said holder either said lump sum payment amount or an amount adequate to purchase said annuity, and

on or after said maturity date, transferring either said lump sum payment amount or said annuity to said holder as elected by said holder.

2. A method for producing and distributing investment securities comprising, in combination, the steps of:

creating a security which comprises a contract in which the issuer of the security promises to pay to the holder of the security a predetermined guaranteed lump sum cash payment at a predetermined maturity date or to pay, in the alternative and at the option of the holder, a sequence of predetermined annuity payments at defined times, and

issuing said security to a holder in advance of said maturity date in return for a purchase price payment.